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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/613,361	07/10/2000	Jay S. Walker	96-139XX	9450
22927	7590	09/08/2004	EXAMINER	
WALKER DIGITAL FIVE HIGH RIDGE PARK STAMFORD, CT 06905			COLBERT, ELLA	
			ART UNIT	PAPER NUMBER
			3624	

DATE MAILED: 09/08/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

# Office Action Summary

Application No.

09/613,361

Applicant(s)

WALKER ET AL.

Examiner

Ella Colbert

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

## Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

## Status

- 1) ☒ Responsive to communication(s) filed on 12 May 2004.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

## Disposition of Claims

- 4) ☒ Claim(s) 70-75 and 81-90 is/are pending in the application.
- 4a) Of the above claim(s) 26,28 and 80 is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 70-75 and 81-90 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

## Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

## Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

## Attachment(s)

- 1) ☐ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)  
Paper No(s)/Mail Date \_\_\_\_\_
- 4) ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date. \_\_\_\_\_
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: \_\_\_\_\_

### **DETAILED ACTION**

1. Claims 70-79 and 81-90 are pending. Claims 81-90 have been added, claims 70, 73, and 76-79 have been amended, and claims 26, 28, and 80 have been cancelled in this communication filed 03/12/04 entered as Response After Non-Final Action and Request for Extension of Time.

#### ***Claim Rejections - 35 USC § 112***

2. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

3. Claims 78 and 79 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

A. Claims 78 and 79 are not sufficiently precise due to the combining of two separate statutory classes of invention in a single claim. The preamble of the claims refers to a computer-readable storage medium encoded with processing instructions, said processing instructions for directing a computer to perform the steps of: and to a method for issuing a gift certificate drawn on a financial account, but the body of the claim begins by discussing the specifics of what appears to be a system (generating a certificate identifier and producing a gift certificate identifier) then the claims subsequently deal with the specifics of a method (the steps ex. the gift certificate not including the account identifier and distributing the gift certificate to an owner of the financial account, and distributing the gift certificate to a recipient) directing the computer for performing the steps.

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4. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title." *Diamond v. Chakrabarty*, 447 U.S. 303, 308-09, 206 USPQ at 193, 197 (1980).

5. Claims 70-75 and 81-90 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

The basis of this rejection is set forth in a two-prong test of:

- (1) whether the claimed subject matter is directed to a "practical application"; or
- (2) whether the invention produces "a useful, concrete and tangible result.", that is, whether the claimed subject matter is applied in a practical manner to produce a useful result. "[C]ertain types of mathematical subject matter, standing alone, represent nothing more than abstract ideas until reduced to some type of practical application, i.e., 'a useful, concrete and tangible result.' (State Street, 149 F.3d 1373, 47 USPQ2d at 1600-01 (citing Alppat, 33 F.3d 1544, 31 USPQ2d at 1557)).

For a claimed invention to be statutory, the claimed invention must be within the technological arts. Mere ideas in the abstract (i.e., abstract ideas, law of nature, natural phenomena) that do not apply, involve, use, or advance technological arts fail to promote the "progress of science and the useful arts" (i.e., the physical sciences as opposed to social sciences, for example) and therefore are found to be non-statutory subject matter. For a process claim to pass muster, the recited process must somehow apply, involve, use, or advance the technological arts.

- (A) In the present case, claims 70, 73, 81, and 83 recite an abstract idea only. The recited method and steps of the claim merely, a) generating a gift certificate,

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producing a gift certificate, the gift certificate not including an account identifier, and distributing the gift certificate do not apply, involve, use, or advance the technological arts since all of the recited method and means steps can be performed in the mind of the user or by use of a pencil and paper. These steps only constitute an idea of how to produce a gift certificate and to distribute the gift certificate. The claims do not have a computer performing the method in the preamble or a user accessing information at the computer or selecting the computer for the generation of a certificate identifier.

(b) Dependent claims 71, 72, 74, 75, 82, and 84-90 further define receiving an indication of a gift certificate redemption and updating stored account data, which only constitute ideas that can be performed mentally or by pencil and paper, therefore still do not represent a practical application of the idea to advance the technology art. The gift certificate being redeemed, therefore still does not represent a practical application of the idea to advance the technology art.

In addition, for a claimed invention to be statutory, it must produce a useful, concrete, and tangible result. In the present case, the claimed invention produces a method for issuing a gift certificate (i.e., repeatable) used with a financial account (i.e., useful and tangible). Although the recited process produces a useful, concrete, and tangible result, since the claimed invention, as a whole, is not within the technological arts as explained above, claims 70-75 and 81-90 are deemed to be directed to non-statutory subject matter.

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With respect to the rejection under 35 U.S.C § 101, the Examiner asserts that the claimed invention does not fall within the technological arts because no form of technology is disclosed or claimed.

Claims 76-79 are rejected under 35 U.S.C. 101 as non-statutory. The system and computer-readable storage medium as presented do not claim a technological basis in the body of the claim. Without a claimed basis, the claims may be interpreted in an alternative as involving no more than a manipulation of an abstract idea and therefore non-statutory under 35 U.S.C. 101. In contrast, a claim that includes in the body of the claim at least one structural/functional interrelationship which can only be computer implemented is considered to have a technological basis [See Ex parte Bowman, 61 USPQ2d 1669, 1671 (Bd. Pat. App. & Inter. 2001) – used only for content and reasoning since not precedential].

The preamble of claims 76 and 77 contain technology. However, the body of the claims do not have a computer means for generating a certificate identifier.

Claims 78 and 79 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

35 USC 101 requires that in order to be patentable the invention must be a “new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof” (emphasis added). Applicant’s claims mentioned above are intended to embrace or overlap *two* different statutory classes of invention as set forth in 35 USC 101. The claims begin by discussing (ex. preamble of claims 78 and 79) a computer-readable storage medium encoded with processing instructions then

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discuss a method for issuing a gift certificate on a financial account, said processing instructions for directing a computer to perform the steps of:”, the body of the claims discuss the specifics of a system for issuing a gift certificate, and subsequently the claim deals with the specifics of a method (the steps) producing a gift certificate and the gift certificate not including an account identifier and distributing the gift certificate to a recipient (see above rejection of claims under 35 U.S.C. 112, second paragraph, for specific details regarding this issue). “A claim of this type is precluded by the express language of 35 USC 101 which is drafted so as to set forth the statutory classes of invention in the alternative only”, Ex parte Lyell (17 USPQ2d 1548). It is not understood whether Applicant is claiming (ex. preamble of claims 78 and 79) a method or a computer-readable storage medium embodying coded processing instructions to perform the processing steps. The body of claims 78 and 79 need to have a computer for generating the certificate identifier. The preamble should clearly define whether the claims are a system or a method.


### **Inquiries**

6. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Ella Colbert whose telephone number is 703-308-7064. The examiner can normally be reached on Monday-Thursday.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin can be reached on 703-308-1038. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

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Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

  
E. Colbert  
September 2, 2004